

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
MAY 17, 2004**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, May 17, 2004.

The meeting was called to order at 7 PM by Chairman Ken Sendelweck who presided.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Ken Sendelweck – Chairman
Greg A. Krodel – Vice Chairman
Edward J. Kreilein – Secretary
Michael A. Schwenk – Electric Commissioner
Jeffrey S. Theising – Water Commissioner
Mike Harder – Wastewater Commissioner
Dennis L. Hasenour – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Thomas A. Lents – Wastewater Manager
Michael A. Oeding – Gas & Water Manager
Kenneth R. Schultz – Business Manager
Sandy Hemmerlein – City Attorney

PLEDGE OF ALLEGIANCE (A-21)

Chairman Ken Sendelweck led the Pledge of Allegiance.

QUOTE OPENING: NEW PHONE SYSTEM – ELECTRIC DISTRIBUTION (A-29)

Jerry Schitter explained he asked for three quotes, but only received one.

Sandy Hemmerlein opened the quote and read it aloud as follows:

- | | | |
|----|--------------------|---|
| 1. | Matrix Integration | \$3,865.34
971.34 voice processing, voice mail |
|----|--------------------|---|

Mike Schwenk made a motion to accept the quote from Matrix Integration, contingent upon the quote meeting the specifications. Ed Kreilein seconded the motion. Motion approved, 7-0.

RFP OPENING: NEWTON STREET WATER TANK PROJECT (A-65)

Sandy Hemmerlein opened the RFP's and read them aloud as follows:

1. Dixon Engineering & Inspection Services
Lake Odessa, MI

\$5,325.00 - To perform preliminary structural inspection and preparation of specifications and contract document services.

2. Commonwealth Engineers
Indianapolis, IN

\$9,900.00 (lump sum) - Inspection, design & bidding documents
\$14,900.00 (lump sum) - Necessary testing to dispose of sediments in landfill
\$3,400.00 (lump sum) - Bidding
\$6,200.00 (hourly) - Construction administration
\$7,200.00 (hourly) - Inspection

3. Midwestern Engineers
Loogootee, IN

\$3,300.00 for CT Services, Inc. to wash out & disinfect tank
\$4,500.00 – Tank painting specifications
\$45.00 per hour, plus 36 cents per mile – Inspector services

Mike Harder made a motion for Mike Oeding to take the RFP's under advisement and report back to the Board. Jeff Theising seconded the motion. Motion approved, 7-0.

QUOTE OPENING: BACKHOE – WASTEWATER (A-191)

Sandy Hemmerlein opened the quote and read it aloud as follows:

Tom Lents explained this is the annual backhoe replacement program.

1. Hopf Equipment
\$102,875.00
- 64,675.00 government discount
- 57,325.00 trade in
\$ 7,150.00

Ed Kreilein made a motion for Tom Lents to take the quote under advisement and report back to the Board. Mike Schwenk seconded the motion. Motion approved, 7-0.

This expenditure was part of Lents' 2004 Capital Expenditure Plan.

APPROVAL OF MINUTES (A-215)

Chairman Sendelweck presented the minutes of the April 19, 2004 meeting and there being no corrections or amendments, asked for a motion to accept. Ed Kreilein made a motion to approve the minutes of the April meeting as presented. Mike Harder seconded the motion. Motion approved, 7-0.

SURPLUS ITEMS FOR AUCTION – ELECTRIC DISTRIBUTION (A-223)

Jerry Schitter submitted a list of surplus items for the City auction.

Mike Schwenk made a motion to declare the items listed as surplus and to allow them to be sold at the City auction. Dennis Hasenour seconded the motion. Motion approved, 7-0.

RESULTS OF MINI-DERRICK TRUCK BID OPENING (A-250)

Jerry Schitter stated that while reviewing the bids for a new mini-derrick truck opened at last months meeting he discovered the bids from Skylift, Inc. and Nesco Sales and Rentals did not meet specifications. Schitter briefly explained the items that did not meet specifications.

Thiermann Industries, Inc. did meet all specifications for the mini-derrick truck. Schitter explained that this unit was the most stable and the safest unit.

Schitter recommended purchasing the mini-derrick truck from Thiermann Industries, Inc. for \$92,339.00.

Dennis Hasenour made a motion to allow Jerry Schitter to proceed with purchasing the mini-derrick truck from Thiermann Industries, Inc. for \$92,339.00. Jeff Theising seconded the motion. Motion approved, 7-0.

UPDATE – NEW BUILDING CONSTRUCTION – ELECTRIC DISTRIBUTION (A-364)

Jerry Schitter gave a brief update on the new building construction.

He reported the contractor finished the metal roof today. They are putting in insulation. The plumbing and electrical work should be finished by the end of the week. Next week the windows and doors should be installed and they should start putting up dry wall.

SURPLUS ITEMS FOR CITY AUCTION – ELECTRIC GENERATION (A-378)

Windell Toby submitted a list of surplus items for the City auction.

Mike Schwenk made a motion to declare the items listed as surplus and to allow them to be sold at the City auction. Ed Kreilein seconded the motion. Motion approved, 7-0.

REQUEST TO HIRE EMPLOYEE – ELECTRIC GENERATION (A-410)

Windell Toby asked for Board approval to hire a replacement for a retiring employee.

Toby said he just recently finished the hiring process for another position and he would be using the existing resumes to hire for this position.

Mike Schwenk made a motion to allow Windell Toby to proceed with the hiring process as requested. Greg Krodel seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (A-431)

Mike Schwenk, Chairman of the Electric Planning Committee, reported that the committee met on May 13th.

The committee discussed establishing a new position in the Electric Distribution Department for a custodian.

Jerry Schitter stated that in the last 2 months an apprentice lineman retired (he did most of the custodian work), and a lineman terminated his employment. Also, in July, the mechanic will be retiring. Schitter said with his present workload he is not looking to replace all of those positions, but he needs to hire someone to fulfill the custodial duties, and asked for permission to proceed with the hiring process and to set up the new position in the ordinance as “Electric Distribution Custodian”.

Mike Schwenk stated the Electric Committee recommended allowing Jerry Schitter to proceed with hiring a custodian and establishing a new position in the ordinance.

Mike Schwenk made a motion to recommend to the City Council to amend the ordinance to include the new position of “Electric Distribution Custodian”, and if the ordinance is approved, to allow Jerry Schitter to proceed with the hiring process. Greg Krodel seconded the motion. Motion approved, 7-0.

Mike Schwenk reported the committee also discussed the bill received last month from Commonwealth referring to Amendment #2. The Board tabled the issue last month in order to get a breakdown of the \$4,143.95 expenditure from Commonwealth. The committee reviewed the breakdown and was satisfied with the explanation.

The Electric Committee recommended approval of contract amendment #2 for \$4,143.95.

Mike Schwenk made a motion to approve contract amendment #2 for \$4,143.95. Mike Harder seconded the motion. Motion approved, 7-0.

Jerry Schitter reported the committee also discussed acquiring a piece of property near the old water plant site.

Dave Seger appraised the land at \$18,00.00. Schitter and Mike Oeding agreed on a price of \$9,000.00; however, the Water Department still owns a piece of property where the clearwell is located, which is adjacent to this property, and Oeding asked that in return for a lower price, that Schitter's department will keep that lot mowed.

Ed Kreilein made a motion to approve the agreement to sell the property to the Electric Distribution Department for \$9,000.00 with the understanding that the Electric Department mows the lot still owned by the Water Department, which is adjacent to this property. Jeff Theising seconded the motion. Motion approved, 7-0.

SURPLUS ITEMS FOR CITY AUCTION – GAS & WATER (A-582)

Mike Oeding submitted a list of surplus items for the City auction.

Ed Kreilein made a motion to declare the items listed as surplus and to allow them to be sold at the City auction. Dennis Hasenour seconded the motion. Motion approved, 7-0.

UPDATE – WATER PROJECTS (A-593)

South Water Tank Project – Painting should be completed today. Final coating inspection is scheduled for May 18th. The cathodic protection system should be installed on May 19th. The tank should be ready for disinfection and fill by May 24th, depending on what the rain does to their schedule.

Ken Schultz presented Change Order #A2 from Utility Services Co. to increase the time for project completion by 42 days.

Ed Kreilein made a motion to approve Change Order #A2 from Utility Services Co. as presented. Mike Schwenk seconded the motion. Motion approved, 7-0.

Top of “Y” Project – The project is 95% complete. They still have one sprinkler service line to reconnect.

Meridian Rd. Project – The new bridge project on Meridian Rd. and the new road coming out of VUJC has directly impacted a water main in the area. The line has been cut off outside the construction area and the piece in conflict was abandoned. As soon as the other projects are completed, the line will be reconnected around the project.

Risk Management Plan – Commonwealth is working on it and they should be done in plenty of time for the June deadline.

UPDATE – GAS PROJECTS (A-647)

Top of “Y” Project – The project is 85% complete. The work at the top of the “Y” has slowed down due to a conflict with the bridge project on Meridian Rd.

GAS METER CHANGE OUTS (A-657)

Mike Oeding informed the Board of a problem with gas customers who won't respond to requests to change out gas meters at their homes to radio reads. Oeding said they have tried on numerous occasions to contact these customers and he thinks the only alternative is to send them a certified letter asking them to set up a time for the change out to take place or advise them there is a possibility of having their gas service turned off until they do respond.

Oeding said it only requires about 15 minutes, but they have to get inside the customers home.

Sandy Hemmerlein said she would like to review the ordinances to see how we should proceed, but she agreed we need to get their attention.

Greg Krodel suggested have Hemmerlein review the letter for content and legality before sending it out.

REIMBURSEMENT FOR TUITION – MIKE GOULD (A-698)

Mike Oeding asked for Board approval to reimburse Mike Gould for \$1,472.00 for an electronics devices class, subject to him passing the class.

Ed Kreilein made a motion to allow the tuition reimbursement of \$1,472.00 to Mike Gould, subject to completing and passing the class. Dennis Hasenour seconded the motion. Motion approved, 7-0.

RESULTS OF AIR MAKE-UP UNIT BID OPENING (A-722)

Mike Oeding reported the low bidder for the air make-up unit was Schmidt Contracting for \$20,992.00.

Oeding recommended approving the low bid of \$20,992.00 from Schmidt Contracting.

Dennis Hasenour made a motion to approve the low bid of \$20,992.00 from Schmidt Contracting. Jeff Theising seconded the motion. Motion approved, 7-0.

WATER PLANT FIRE (A-755)

Mike Oeding briefly reported on the fire at the Water Plant. He explained that the chemical used is not flammable; however, introducing organics into it will support combustion. He said the spark was caused by a hand held drill being used to open a clogged pipe.

Oeding said there was very little damage.

WATER PLANT DEMOLITION PROJECT (B-10)

Ken Schultz said he is holding retainage in the amount of \$3,937.80 on behalf of Lechner's for the Water Plant Demolition Project.

Schultz presented a Certificate of Substantial Completion from City Engineer Chad Hurm. Schultz asked the Board to accept the certificate of substantial completion and to approve the release of the retainage.

Jeff Theising made a motion to approve the Certificate of Substantial Completion and to release the retainage in the amount of \$3,937.80 as presented. Mike Harder seconded the motion. Motion approved, 7-0.

GAS PLANNING COMMITTEE REPORT (B-43)

Dennis Hasenour, Chairman of the Gas Planning Committee, stated there had not been a meeting to report on.

WATER PLANNING COMMITTEE REPORT (B-45)

Jeff Theising, Chairman of the Water Planning Committee, stated there had not been a meeting to report on.

SURPLUS ITEMS FOR CITY AUCTION – WASTEWATER (B-48)

Tom Lents stated the Wastewater Utility has no surplus items for the City auction.

ADDITIONAL FUNDS FOR SEWER RELINING (B-50)

Tom Lents reported he had \$25,000.00 for sewer relining on his 2004 Capital Expenditure Plan and asked for Board approval to increase that amount by \$35,000.00, for a total of \$60,000.00.

Lents said they have found several sewer lines in major streets that are in danger of collapsing.

Ed Kreilein made a motion to approve an additional \$35,000.00 for sewer relining. Jeff Theising seconded the motion. Motion approved, 7-0.

Tom Lents asked for Board approval to proceed with U-Liner for sewer relining instead of getting other quotes. It is the only company in the area that meets the specifications for sewer relining.

Dennis Hasenour made a motion to allow Tom Lents to utilize U-Liner for sewer relining. Mike Harder seconded the motion. Motion approved, 7-0.

REQUEST FUNDS TO REHAB 2 MANHOLES (B-132)

Tom Lents stated there are 2 manholes just west of the Dairy Queen that need to be repaired.

Lents explained they are 14 ft. deep and gases are forming acids that are deteriorating the concrete.

Lents obtained a quote of \$4,200.00 per manhole from Spectra Tech to line the manholes, which will make them impervious to the acids for a guaranteed 10 years.

Lents said it is the only company in the State of Indiana that utilizes this technology, and asked for Board approval to proceed with them instead of getting other quotes.

Ed Kreilein made a motion to allow Tom Lents to proceed with Spectra Tech for \$8,400.00 to rehab the 2 manholes. Jeff Theising seconded the motion. Motion approved, 7-0.

APPROVAL TO SELL OLD TV SYSTEM TO STREET DEPT. (B-194)

Tom Lents asked for Board approval to sell his old TV system, with the van, to the Street Department for \$5,000.00.

Lents said he could sell it to another municipality for more, but he likes the idea of having it around for a back up.

Mike Schwenk made a motion to allow Tom Lents to sell the old TV system, with the van, to the Street Department for \$5,000.00. Ed Kreilein seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (B-218)

Mike Harder, Chairman of the Wastewater Planning Committee, stated there had not been a meeting to report on.

SURPLUS ITEMS FOR AUCTION – BUSINESS OFFICE (B-220)

Ken Schultz submitted a list of surplus items for the City auction.

Mike Harder made a motion to declare the listed items as surplus and to allow them to be sold at the City auction. Greg Krodel seconded the motion. Motion approved, 7-0.

CHANGE ORDER #4 – REYNOLDS, INC. (B-234)

Ken Schultz presented Change Order #4 from Reynolds, Inc. on Division A of the Whoderville/Eastown Sewer Extension Project, which would add 55 days to the project completion date.

Schultz reminded the Board that in order to come to an agreement concerning the possible assessment of liquidated damages, we needed an extension of time on the contract, and this change order will take care of that.

Mike Schwenk made a motion to approve Change Order #4 from Reynolds, Inc. as presented. Ed Kreilein seconded the motion. Motion approved, 7-0.

REPLACE METER READING TRUCK (B-249)

Ken Schultz stated that he has 2 meter reading trucks, a 1989 Chevy S-10 and a 1992 Chevy S-10.

Schultz said he planned on waiting until next year to replace one of the vehicles, but with the upcoming purchase of the mobile meter reading unit, he said he can't see installing this new equipment in one of those old trucks.

Schultz asked for Board approval to trade in the 1989 truck, as close to implementation of the mobile meter reading unit as possible, and to purchase a mini cargo van.

By the end of the year, the 1989 truck will have approximately 93,000 miles on it. Schultz said he plans on keeping the 1992 truck until the second meter reader retires, probably at the end of this year. After the reader retires and the truck is no longer needed, Schultz said he may come to the Board concerning the donation of the truck to the Storm Water Department.

Ed Kreilein made a motion to allow Ken Schultz to proceed with seeking quotes to replace the 1989 Chevy S-10 in anticipation of the new mobile meter reading unit. Jeff Theising seconded the motion. Motion approved, 7-0.

AMEND CAPITAL ASSET POLICY (B-337)

Ken Schultz reminded the Board that last December a formal capital asset policy was adopted due to new government accounting standards. Recently the State Board of Accounts noticed one small oversight and asked Schultz to add another asset category called "improvements". The policy already has asset categories of land, buildings, equipment, and infrastructure.

Mike Schwenk made a motion to amend the capital asset policy to add the category called "improvements" to be in compliance with the State Board of Accounts requirements. Greg Krodel seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (B-362)

Ed Kreilein reported that the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented was a claim on behalf of Commonwealth Engineering in the amount of \$2,555.00 representing construction and inspection services related to the Water Tank Rehabilitation project, which will be submitted to the State Revolving Loan Fund for payment after Utility Service Board approval.

The Finance Committee recommended approval of the claims as presented.

Jeff Theising made a motion to accept the claims as presented. Mike Harder seconded the motion. Motion approved, 7-0.

SOUTHWEST SEWER PROJECT (B-376)

Sandy Hemmerlein reported that Don Hurst of Commonwealth called her today to let her know that he is expecting Global Tech to be in Jasper on Tuesday, May 18th to start on the remaining items on the Southwest Sewer Project.

Hemmerlein said she is anxious for them to complete the project so we can get back in touch with Cincinnati Insurance and maybe get the issues resolved.

WAGE DETERMINATION COMMITTEE (B-385)

Sandy Hemmerlein informed the Board that if the Newton Street Water Tank Project exceeds \$150,000.00, as required by statute, we need to set up a Wage Determination Committee, and the Board would need to appoint someone to that committee.

Hemmerlein said they wouldn't know until an engineer has been hired and we have an estimate of the project costs.

There being no further business to come before the Board, the meeting was adjourned at 8:29 PM upon motion by Dennis Hasenour and second by Jeff Theising. Motion approved, 7-0.

Attest: _____
Secretary Chairman